

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

April 28, 2003      LB 147, 466, 574, 658

Legislature. I'm pleased to introduce LB 574. This is the Education Committee's first committee priority bill. The theme here is financial aid for postsecondary students, and within this theme, the bill includes three components. First is a revision of the distribution structure for need-based aid to include augmentation of the funding source for financial aid. The second is to address issues relating to the administration of the Nebraska College Savings Plan and technical refinements brought to the committee's attention through bills LB 147 and LB 466 introduced by Senator Don Peterson. Third is the creation of a Community Scholarship Foundation Program, a proposal brought to the committee by Senator Beutler in LB 658. In this introduction which is to the green copy of LB 574, I will try to provide you background information on our need-based aid programs, the current distribution structure, which LB 574 proposes to change. In the next introduction, the committee amendment, I will try to detail our proposals on all three of the components I've mentioned. And, finally, I will introduce AM1153, which is an amendment to the committee amendment that will propose use of educational lottery money to augment need-based aid funds. Before proceeding, though, let me emphasize the fact that this bill is a committee effort. Committee efforts, Brashear, Bourne, Byars, McDonald, Maxwell, Schrock and Stuhr have all contributed significantly to this proposal as have members of the Legislature that are not on the Education Committee. A little background on need-based aid programs to begin with then. First, characteristics of our current structure. The general provision is that the pool of students served by these programs are those eligible for federal Pell Grants. These students are awarded grants to attend Nebraska institutions to include public, private independent and private career schools. The programs are administered by the Postsecondary Coordinating Commission, and the institutions themselves, the higher education institutions, act as agents for the Postsecondary Coordinating Commission in administering the programs. There are three main programs that we currently have. The first is SAP, or the Scholarship Award Program. This is based on federal Pell eligibility. It's available for both public and private colleges. The current appropriation, state appropriation for this program is about \$1.8 million. The second of the three is SSAP, or State Scholarship Award Program.